DOCUMENT RESUME

ED 307 993 PS 018 051

TITLE Before Five: Early Childhood Care and Education in New Zealand.
INSTITUTION New Zealand Dept. of Education, Wellington.
PUB DATE Dec 88
NOTE 38p.
PUB TYPE Legal/Legislative/Regulatory Materials (090)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Administrative Change; *Day Care; *Early Childhood Education; Educational Change; Educational Finance; Ethnic Groups; Federal Government; Foreign Countries; Government Role; Guidelines; *School Districts; *Staff Development
IDENTIFIERS Maori (People); *New Zealand

ABSTRACT

This publication outlines the Government of New Zealand's new plans and policies for the administration of early childhood care and education. Specific features are discussed in detail in sections concerning: (1) early childhood care and education at the local level, specifically management structures and responsibilities, the use of Crown land, staff role, home-based care and education, and community education forums; (2) agencies at the center, including the Early Childhood Development Unit, various special education advisory services, the Ministry of Education, the Review and Audit Agency, and the Parent Advocacy Council; (3) funding, in terms of bulk grants, discretionary grants, loans, full funding of capital works, and Department of Social Welfare fees subsidy; (4) national guidelines, charters, and licenses; (5) issues of staffing, such as qualifications, accreditation, training, early childhood teachers and workers registration, awards, and salary scale negotiations; (6) Maori issues; and (7) the process of planning the details and the transfer of responsibilities. The changeover to the new system of education administration will occur on October 1, 1989. The new funding arrangements and charters will take effect on January 1, 1990. (RH)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED307993

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

X This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

BEFORE FIVE

PS 018051

the Rt. Hon. David Lange
Minister of Education

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
New Zealand Dept. of Education
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

BEFORE FIVE

Early Childhood Care and Education in New Zealand

December 1988

Our Children are Our Future

Before Five is the Government's statement of intent for early childhood care and education.

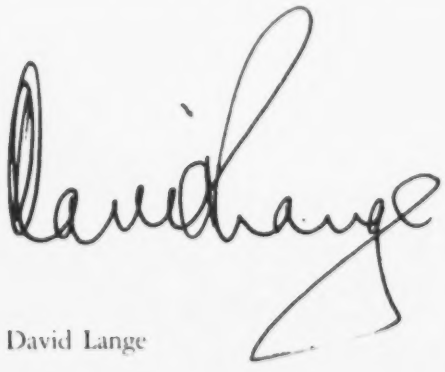
Last year the Government made a policy commitment to improve the standards of care and education in this sector.

Early this year the Cabinet Social Equity Committee formed a working group chaired by Dr Anne Meade to review existing provision and to make recommendations. The report of this group, *Education To Be More*, was presented to the Government in August. It was released for public reaction and comment. Responses have been collated and the Government has considered the options.

Before Five builds upon the existing strengths of the various services and centres. Community involvement and professional expertise have been the two driving forces in developments to date. This policy is based upon these two strengths, and the co-operative spirit which has become so much part of the ethos of this sector.

Research shows that resources put into early childhood care and education have proven results. Not only do they enhance the individual child's learning, the advantages gained help create success in adult life. Improvements in this sector are an investment in the future.

Our children are our future. They need a good start in life. I believe *Before Five* will help give them that.



David Lange

Contents

Introduction *1*

1. Early Childhood Care and Education at the Local Level 5

1.1 Management Structures

1.2 Management Responsibilities

1.3 The Use of Crown Land

1.4 The Role of Staff

1.5 Home-Based Care and Education

1.6 Community Education Forums

2. Agencies at the Centre *13*

2.1 Early Childhood Development Unit

2.2 Special Education Advisory Services

2.3 Ministry of Education

2.4 Review and Audit Agency

2.5 Parent Advocacy Council

3. Funding *19*

3.1 Bulk Grants

3.2 Discretionary Grants

3.3 Loans

3.4 Full Funding of Capital Works

3.5 Department of Social Welfare Fees Subsidy

4. National Guidelines, Charters and Licences 25

4.1 National Guidelines

4.2 Charters

4.3 Licences

5. Issues of Staffing 29

5.1 Qualifications, Accreditation and Training

5.2 Early Childhood Teachers and Workers Registration

5.3 Awards and Salary-Scale Negotiations

6. Maori Issues 31

7. Making the Change 33

7.1 Planning the Details

7.2 The Transfer of Responsibilities

Introduction

The Government has already announced its intentions for the reform of education administration in general — and primary and secondary schools in particular — in the document *Tomorrow's Schools*. *Before Five* outlines the Government's intentions for the early childhood sector. It draws upon the report of the Working Group on Early Childhood Care and Education, *Education to be More*, and upon the more than 1,000 responses to that report.

In brief, the Government's intentions for early childhood care and education are based on the following:

- Early childhood services will continue to be run with the *management structures* they have at present. (However, early childhood services provided and fully funded by the state may be required to have their own special board of trustees.)
- In order to receive Vote: Education funding, early childhood services must have a *charter* which has been drawn up in consultation with parents/whanau and which has been endorsed by them. This charter will be a statement of the service's objectives and practices — and it must also be in keeping with overall national guidelines for early childhood care and education.
- Services *without charters* must still be *licensed*. These "unchartered" services will not be eligible for Vote: Education funding, but will have access to some government funds through the Department of Social Welfare's fees subsidy.
- The charter will act as a contract between the service and its community, and between the service and the state. Services will be *accountable* for meeting their charter objectives and for the responsible spending of government funds.
- Chartered early childhood services will receive their Vote: Education funding directly, as a *bulk grant*. The amount of this funding is yet to be worked out, but the formulae on which it will be calculated will be available for public scrutiny. (The salaries of kindergarten teachers and those of early childhood workers on the Department of Education's central payroll system, however, will be paid through the Ministry of Education's

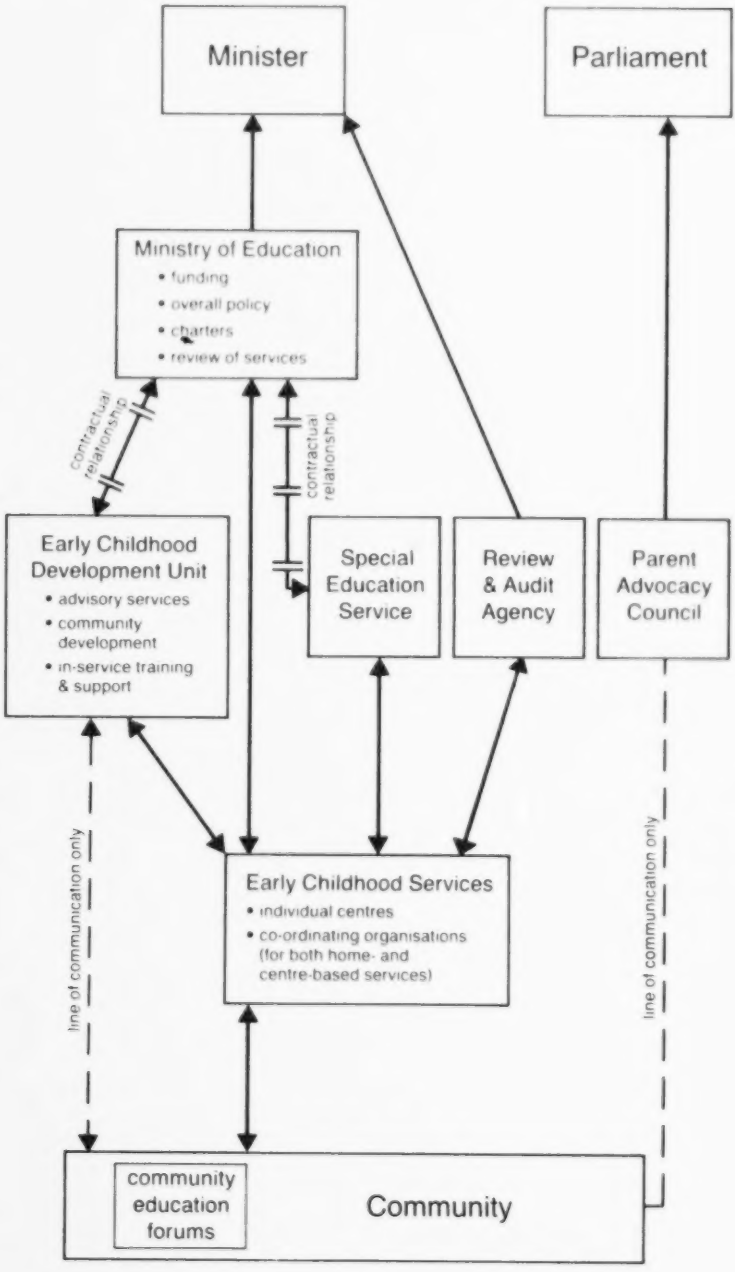
central payroll services for the first two years of the new arrangements.)

- ¶ There will be a *discretionary grants* scheme to help services with capital costs. In some circumstances, services will be expected to take out a commercial loan or a loan from the Ministry of Education as well as or instead of a discretionary grant.
- ¶ The *Review and Audit Agency* — already being set up as part of the overall changes in education administration — will be responsible for monitoring chartered services at least once every year. The approach taken by the agency will be essentially developmental.
- ¶ The *Ministry of Education* — already being set up as part of the overall changes in education administration — will have specific responsibilities in the area of early childhood care and education. It will provide policy advice to the Minister of Education, negotiate charters and recommend charter approval, and deliver bulk grants and other Vote: Education monies. It will also be responsible for issuing licences to unchartered services; and will have the power to close an early childhood service in certain circumstances.
- ¶ An *Early Childhood Development Unit* will be set up to provide liaison, co-ordination, support and training for early childhood services. This unit will be a free-standing body working principally under contract to the ministry.
- ¶ Specialist staff will be employed by the *Special Education Service* (which is already being set up as part of the overall changes in education administration) to provide advisory services in the early childhood area.
- ¶ The *Parent Advocacy Council* and the *community education forums* being set up as part of the new education system will automatically be available for early childhood care and education interests. Community education forums will act as a local-level voice for all those who wish to air their concerns on any aspect of education; and the nationally based Parent Advocacy Council (which will include two early childhood representatives) will promote the interests of parents generally.
- ¶ At all levels of education, the early childhood sector will have *equal status* with other education sectors.

- The Department of Social Welfare and the Department of Health will continue to play an important role in early childhood care and education. Liaison between *all agencies connected with early childhood* will be encouraged.
- Linkages between *early childhood, primary and secondary* services and institutions are highly desirable and will continue to be encouraged at a practical level.
- The changeover to the new system of education administration will occur on 1 October 1989. The new funding arrangements for early childhood — together with charters for this sector — will take effect from 1 January 1990.

The next seven sections of *Before Five* spell out these features in more detail.

Figure 1: The Administration of Early Childhood Services



1. *Early Childhood Care and Education at the Local Level*

1.0.1 Early childhood services will have similar management structures to what they have at present. These management structures (which may be committees of management or individual proprietors) will be responsible for the overall running of the service. Together with their staff, they will also be responsible for the day-to-day running of the service.

1.1 Management Structures

1.1.1 Early childhood services are likely to continue with their existing management structures. In general, there will be no requirement to establish boards of trustees — although preschool classes within other learning institutions may be required to have their own boards of trustees rather than sharing a board with the "parent" institution (see also paragraph 1.1.6).

1.1.2 There will be no government requirements set for the composition of committees of management. The size, membership and election of committees will be determined by the service's proprietor, whanau or sponsoring group. If the sponsoring group is a legal entity with a constitution, then size, membership and election procedures will be determined in its constitution. (Community-based committees of management not already incorporated as a legal entity are advised to become so in order to safeguard individual members from personal financial liability for the use of public money.)

1.1.3 Any home-based scheme which wishes to have a charter and to be eligible for bulk-grant funding must be administered by an organisation which is recognised by the Ministry of Education. This applies whether the service is provided in the child's own home or in another's home.

1.1.4 Individual services may each have their own management structure or they may share a common management structure with other services if the Ministry of Education (which is responsible for

recommending charter approvals to the Minister) is satisfied that a shared arrangement serves the interests of all involved. However, the ministry will not normally recognise national organisations as committees of management (with the possible exception of Te Kohanga Reo National Trust in an interim period while iwi authorities are being established.)

1.1.5 The Implementation Unit will determine a maximum number of services to be covered by a single charter.

1.1.6 Early childhood services associated with other learning institutions can *either* have their own committee of management/board of trustees (together with their own charter and bulk grant) *or* they can share in the "parent" institution's board of trustees, with a separate sub-committee for their staff and parents/whanau. In the latter case, the sub-committee would determine the content of the charter as it relates to early childhood and would be involved in the regular review of the early childhood service. The board of trustees of the "parent" institution, however, would carry ultimate responsibility for the running of the service. The Ministry of Education will need to be satisfied (during charter negotiations) that this arrangement is in the interests of all concerned — especially the children.

1.2 Management Responsibilities

1.2.1 The management (that is, the committee of management or the proprietor) will be responsible for broad policy objectives and the effective running of the service — they will be responsible for charters, for budgets and the spending of bulk-grant funds, for property, and for staffing matters. The management will also be responsible for ensuring that parents are involved in charter preparation and in the regular review of the service.

1.2.2 Overall, the management will be responsible for meeting the children's care and education needs. The management will have to demonstrate to the Ministry of Education that they have the ability to carry out what they have pledged in their charter; and they will have to have management-accountability procedures acceptable to the ministry.

1.2.3 The day-to-day running of the service will rest with staff, working together with the management.

Responsibility for Charters

1.2.4 The management will ultimately be responsible for the preparation of the charter. The charter will be a statement of the service's objectives and practices, and will be drawn up within the overall national guidelines for early childhood care and education (see also section 4.1).

1.2.5 The management will ensure that parents/whanau are consulted during the preparation of the charter, and that they endorse the charter before it is submitted for final approval by the Minister. Evidence of consultation and endorsement will be required by the ministry. (However, where the families using the service are predominantly transient and form no cohesive group — for example, shoppers' creches or women's-refuge creches — the ministry may waive this parent-consultation requirement).

1.2.6 In services where there are professional staff, these staff will take the lead in drafting those sections of the charter that deal with curriculum and child-management policies, and in discussing these with parents/whanau. Evidence of the involvement of professional staff will be required by the ministry.

1.2.7 The Department of Education will establish a special early-childhood liaison group to help services develop their first charter. (After 1 October 1989, charter assistance will be available through the Early Childhood Development Unit.)

1.2.8 The management will be responsible for negotiating the charter with the ministry before submitting it for final (Ministerial) approval.

1.2.9 Managements may lose their charters and bulk grants (or be otherwise financially penalised) if they do not fulfill the pledges they have made in their charters.

Accountability

1.2.10 The management must develop procedures for sharing information with parents on a regular basis, and for involving parents/whanau and staff in policy, curriculum, and parent-education matters. The ministry will require evidence of this before a charter can be approved.

1.2.11 The management will be required to report regularly to their community on how they are fulfilling the pledges made in their charter.

1.2.12 All chartered services will be reviewed at least once a year, to monitor their fulfillment of their charters. This monitoring will be done by the Review and Audit Agency, and it will have a developmental emphasis.

1.2.13 Services will also be monitored for their spending of government funds, at the same time as they are monitored for their fulfillment of their charters. This financial monitoring will also be done by the Review and Audit Agency. (See paragraph 1.2.30.)

1.2.14 The Review and Audit Agency can undertake a special review in cases of serious concern about a service's performance.

1.2.15 There will be sanctions against managements who abuse their charters or their government funding. Details on this will be decided by the Implementation Unit.

1.2.16 The levels at which parents' fees are set will be checked from time to time, to see that the use of government funds is not being abused.

Responsibility for Staff

1.2.17 The management will be the legal employer of paid staff and will be responsible for personnel matters.

1.2.18 Managements will comply with the terms and conditions of all (teaching and non-teaching) awards and salary scales. As well, the principles of the Labour Relations Act 1987 will apply to all paid staff. The principles of the State Sector Act 1988 will apply to kindergarten and preschool-class teachers.

1.2.19 Where awards or regulations contain appointments procedures, these provisions will be continued until the parties involved agree to review them.

1.2.20 The management will follow existing procedures of staff appraisal and discipline contained in awards or elsewhere. Any changes to existing procedures will have to be established in the appropriate award discussions or other negotiations.

1.2.21 Kindergarten managements will continue the current procedures for appointments, discipline and personal grievance. However, the function of the "neutral third party" will be reviewed as the result of changes elsewhere in the education system.

1.2.22 The management will be responsible for approving leave for staff, and will approve and reimburse day-to-day expense claims.

1.2.23 The management will be responsible for approving and funding staff development. This will be allowed for in the bulk grant. (The management, however, will not be responsible for any course fees incurred by individuals undertaking study programmes that lead to a qualification).

1.2.24 Managements may wish to obtain or hire assistance in meeting their responsibilities as employers. They may do this from whatever sources they find appropriate.

1.2.25 The Implementation Unit will consider other staffing matters, such as employee support and the acquiring of new skills.

Responsibility for Property

1.2.26 Wherever the Crown owns early childhood property, responsibility for maintenance and capital works connected with this property will be negotiated between the management and the Ministry of Education. Where the Crown does not own the property, the management will still be required to meet minimum fire, health and building standards.

1.2.27 Accommodation costs (rent, mortgages and the costs of maintenance) will be met by the management out of their bulk grant. (The bulk-grant formulae will include provision for these costs.)

Responsibility for Budgets

1.2.28 Bulk-grant funding for early childhood services will be calculated at a level yet to be determined by the Government.

1.2.29 All bulk-grant funding — with the exception of salaries currently paid by the central payroll system which will continue to be paid in this way for the first two years of the new system — will be delivered directly to the managements of each service. The management will be responsible for deciding how to spend their bulk grant.

1.2.30 The management will be responsible for the preparation of the service's annual accounts, and will obtain an accountant's report on those accounts before sending both the report and the accounts to the Review and Audit Agency. The type of accountant's report to be sent to the agency will be determined by the Officials Committee (which is the implementation group responsible for matters of detail about the Review and Audit Agency).

1.2.31 Managements will be able to borrow money commercially if they so desire. Services whose ability to borrow commercially is limited may instead be eligible for a Ministry of Education loan — provided that they are using or have approval to use Crown land or property through a "licence to occupy".

Administrative Assistance

1.2.32 Managements will be able to hire administrative services and assistance as they require, from whatever source they find appropriate. These sources of administrative assistance may include education service centres, the Early Childhood Development Unit, and private-sector firms and individuals.

1.3 The Use of Crown Land

1.3.1 Where use of Crown land is approved, the Crown will issue a "licence to occupy". The Ministry of Education will take over the responsibility for administering licences. Future licences will not include any unilateral right on the part of the service to relocate the building(s).

1.3.2 Early childhood services will be given first option on any school buildings which come up for sale or rent. But the principles of the Treaty of Waitangi and the consequences of compulsory purchases under the Public Works Act may need to be addressed first.

1.3.3 Chartered services will pay rent for the use of Crown land or property. (Unchartered non-profit-making groups may not have to pay rent for the use of Crown land or property.)

1.4 *The Role of Staff*

1.4.1 The head teacher, supervisor or co-ordinator is and will continue to be the professional leader of the early childhood service. She or he will undertake:

- the preparatory work on the curriculum sections in the charter (in consultation with staff and community and with assistance, if required, from the Early Childhood Development Unit)
- the allocation of duties amongst staff
- the communication to individual families of the progress of their children — and of any health, behavioural, dietary or sleep-pattern concerns.

1.4.2 The Government will consider ways in which staff taking on new responsibilities can be given training, information and support. This matter will be referred to the Implementation Unit.

1.5 *Home-Based Care and Education*

1.5.1 Home-based care and education schemes will be able to become chartered — provided that the caregivers are networked to an organisation recognised by the Ministry of Education and that there is a qualified early childhood co-ordinator to support and advise the caregivers. Such home-based schemes can be located in the child's own home or in another's home.

1.5.2 The national guidelines are expected to contain specific clauses relating to home-based early childhood services, including the need for in-service training for the adults involved.

1.5.3 The funding for home-based early childhood services will be applied at the same rate and use the same formulae as for centre-based early childhood services.

1.6 *Community Education Forums*

1.6.1 The Government has already agreed (in *Tomorrow's Schools*) that community education forums will be informal and advisory arrangements set up on the initiative of the community, to act as the official voice of the community on educational matters. For example, community education forums will be able to:

- identify and gather together the views — both professional and consumer — of all education sectors on issues of importance

- identify and gather together views within sectors
- discuss and if possible settle local conflicts of interest
- discuss policy initiatives proposed by the ministry and provide feedback on these
- discuss broad educational issues such as new national guidelines proposals.

Early childhood interests — like other sectors of education in the community — will be able to initiate forums and to use them as an official voice.

1.6.2 Forum convenors will be selected by the Minister from a list of people put forward by each community, and there may be more than one convenor for each forum. Convenors will be appointed for a limited period of time as specified by the Minister.

1.6.3 Convenors will call forum meetings when requested to do so by an individual or group within the community, or by the Ministry of Education. Funding will be available to obtain secretarial services and to meet communication expenses.

2. *Agencies at the Centre*

2.0.1 In terms of early childhood care and education, the principal agencies at the centre will be an Early Childhood Development Unit, and the four agencies already outlined in *Tomorrow's Schools*: the Ministry of Education, the Special Education Service, the Review and Audit Agency, and the Parent Advocacy Council.

2.0.2 The extent of any regional or local presence will be determined by the agencies themselves.

2.1 Early Childhood Development Unit

2.1.1 The Early Childhood Development Unit will be a free-standing, self-administering body.

2.1.2 The unit will be headed by a general manager appointed on contract by the chief executive of the Ministry of Education. The general manager will be accountable to the ministry through a contract negotiated between the two agencies.

2.1.3 The types of activities which the Early Childhood Development Unit will undertake for the ministry will include:

- community development activities involving support and advice to families, groups and communities which wish to establish home-based or centre-based early childhood services — for example, advising on the steps towards incorporation, advising on charters and loans, investigating the feasibility of setting up services, and supporting community initiatives
- liaison and co-ordination activities for early childhood services
- in-service training and education across all early childhood services
- gathering information on early childhood services.

2.1.4 For the first two years of its operation, the Early Childhood Development Unit will be fully funded by the Ministry of Education.

2.1.5 For that two-year period in which the Early Childhood Development Unit is fully funded by the ministry, those early childhood services which do not have their own advisers will be required to use the services of the unit. This requirement will be

written into the national guidelines, and incorporated into those services' charters.

2.1.6 After the first two years, the Early Childhood Development Unit will charge for its services. In cases where the ministry specifically requires the unit to carry out certain programmes and activities on its behalf, the ministry will be deemed to be the "user" and will bear the costs of this. In cases where the early childhood services do not have their own advisers, the services can contract with the Early Childhood Development Unit for advice and support, or obtain it from other sources. The bulk grant will make provision for the costs of obtaining advice and support.

2.1.7 Early Childhood Development Unit staff will be expected to liaise with the Special Education Service (see section 2.2) and to build up their expertise in special education.

2.1.8 The performance of the Early Childhood Development Unit will not be monitored directly, but the Review and Audit Agency will be assessing the unit's supply of services as and when it conducts its regular review of individual early childhood services.

2.2 Special Education Advisory Services

2.2.1 The Special Education Service is already being set up as part of the overall changes to education administration, as a free-standing self-administering body which will provide special education advisory services to learning institutions under an annual contract to the Ministry of Education. As part of its responsibilities, it will deliver services to early childhood services and individual families who have children with disabilities.

2.2.2 The Special Education Service will include special education advisers, visiting teachers, speech-language therapists, and advisers for the education of handicapped, deaf and visually impaired children. It should be required as part of its contract with the Ministry of Education to make sure that a certain proportion of its specialist staff has (or will acquire) expertise in early childhood education and in the developmental needs of infants and preschool children.

2.2.3 Special Education Service staff will be expected to liaise with the Early Childhood Development Unit and to build up their expertise in the early childhood area.

2.2.4 The Special Education Service's early childhood advice will be available free of charge to services and families. A fair distribution of advisers will be necessary and the general manager of the Special Education Service will be responsible for this. (In some locations, it may be appropriate for Special Education Service staff to share office space with Early Childhood Development Unit staff.)

2.2.5 The Special Education Service will be responsible for notifying the ministry when there are children attending a service whose special needs mean that the service should have its bulk grant adjusted with a special-needs weighting.

2.2.6 Early childhood services will be able to obtain advice from individuals and groups other than the Special Education Service. However, they will not be entitled to receive extra funding if they choose to purchase special education services from alternative sources.

2.2.7 The Review and Audit Agency will monitor the supply of special education services to early childhood services through its regular review of individual early childhood services. The Review and Audit Agency will also undertake special reviews (or studies) of families' satisfaction as it sees fit.

2.3 Ministry of Education

2.3.1 A Ministry of Education is already being established as part of the overall reform of education administration, to provide policy advice to the Minister on all aspects of education, and to oversee the implementation of national policies approved by the Minister. It will not be a direct provider of education services, although it will contract other agencies and individuals to provide certain services. The ministry will be accountable, through a chief executive officer, to the Minister; and it will have at least three units (for policy advice, property, and operational activities).

2.3.2 The Ministry of Education will also have specific responsibilities for early childhood care and education. These will include:

- ¶ policy advice to the Minister on early childhood care and education matters — including training for early childhood workers and teachers
- ¶ negotiating charters with early childhood services
- ¶ delivering bulk-grant funding to services

- providing funding assistance such as discretionary grants and loans.

2.3.3 Within the ministry, the early childhood sector should have status equal to that of other education sectors.

2.3.4 The ministry will be responsible for developing policy on early childhood care and education. This will include development of the national guidelines and policies on licensing, training and qualifications.

2.3.5 The ministry will also negotiate charters, administer all grants and loans, and issue licences to unchartered early childhood services.

2.3.6 In addition, the ministry will act as "landlord" for any early childhood services located on Crown land or property. It will also administer any "licences to occupy" Crown land or property.

2.3.7 The ministry should — in its contract with the new independent unit responsible for educational publications and audio-visual material — require that resources for early childhood services are produced.

2.3.8 The ministry will have the power to close any (chartered or non-chartered) early childhood service in certain circumstances such as those prescribed in the Child Care Centre Regulations 1985.

2.4 Review and Audit Agency

2.4.1 The Review and Audit Agency is already being set up as part of the overall reform of education administration, to ensure that learning institutions are accountable for the government funds they spend and for meeting the objectives set out in their charter. The agency will itself be accountable, through a chief executive officer, to the Minister.

2.4.2 The Review and Audit Agency will monitor chartered early childhood services at least once a year.

2.4.3 The agency's approach to monitoring the work of the early childhood sector will be essentially developmental. Those carrying out reviews of early childhood services will have appropriate skills or qualifications in early childhood care and education. They may also contract additional expertise from the community and from the early childhood sector.

2.4.4 As a result of its reviews, the Review and Audit Agency will also provide comment on the adequacy of charters to both the Ministry of Education and individual early childhood services.

2.4.5 The Review and Audit Agency will also develop appropriately sensitive procedures for dealing with early childhood services — particularly home-based caregivers, nga kohanga reo, and Pacific Island language nests.

2.4.6 The procedures for regular reviews in the early childhood sector will be dealt with in more detail by the Officials Committee (which is the implementation group responsible for matters of detail on the Review and Audit Agency).

2.4.7 The Review and Audit Agency can undertake a special review in cases of serious concern about a service's performance. Procedures for special reviews of early childhood services will be dealt with in more detail by the Officials Committee.

2.4.8 The management of early childhood services will send an annual set of accounts, plus an accountant's report, to the Review and Audit Agency. The precise form of accountant's report to be sent will be determined by the Officials Committee.

2.4.9 The Review and Audit Agency will be responsible for monitoring whether licensed (non-chartered) services are fulfilling the conditions of their licence.

2.4.10 Within the Review and Audit Agency, the early childhood sector should have status equal to that of other education sectors.

2.5 Parent Advocacy Council

2.5.1 An independent Parent Advocacy Council is being established as part of the new system of education administration, to promote the interests of parents at all levels of education. Its role will be one of "last resort"; and it will report directly to Parliament on an annual basis.

2.5.2 The council's members will be appointed by the Minister, and they will include two early childhood representatives (one Maori and one non-Maori).

2.5.3 The function of the council's early childhood representatives will be to attend to the information and advocacy needs of families with preschool children.

3. *Funding*

3.0.1 All existing forms of assistance, subsidy and grants from the Department of Education will cease when the new funding arrangements are introduced.

3.0.2 As well, the tax deductibility available to parents for early childhood care and education costs will be removed when the new funding arrangements are introduced.

3.1 Bulk Grants

3.1.1 All bulk-grant funding will be delivered directly to the managements of chartered services.

3.1.2 The Implementation Unit will determine how frequently the bulk grant is to be paid.

3.1.3 The bulk grant is intended to be used for most staff salaries, wages, and professional development, and for operational expenses such as equipment, running costs, and accommodation costs.

3.1.4 There will be no separate salaries component within the bulk grant. This is because of the complexity of staff:child ratios and the existence of different pay rates — which means it has been impossible to devise a formula for staff salaries that is fair to all.

3.1.5 For a two-year transition period, teachers' salaries and those of early childhood workers currently on the Department of Education's central payroll will continue to be paid by the central payroll service run by the Ministry of Education. As a consequence, the bulk grant to services employing these people will be reduced accordingly. After that time, the managements concerned can contract with whatever payroll services are available if they still require this service; otherwise they will receive the salaries directly, for payment to their employees.

3.1.6 Other early childhood services can set up a contractual arrangement with available payroll services whenever they wish.

3.1.7 For a two-year transition period, relievers for kindergarten teachers who are on approved leave will be paid for by the Ministry of Education.

3.1.8 The bulk grant will not cover allowances for associate or tutor teachers: these will be funded through teachers colleges.

3.1.9 Bulk grants for early childhood care and education services in hospital wards, women's refuges and similar situations will only cover the times when planned sessions of care and education are taking place.

Calculation of the Bulk Grant

3.1.10 The bulk grant will be calculated on the basis of the number of children enrolled for each session, with a session lasting between 2.5 and 3 hours. No service will be funded for more than two such sessions a day. The maximum level will be 30 hours over 7 days.

3.1.11 Procedures will be introduced to avoid double funding. For instance, two or more services may share the same premises but wish to have separate charters. The nature of each service would need to be markedly different before separate charters would be approved, so enabling each service to become eligible for its own bulk-grant funding.

3.1.12 Where an early childhood service does not have a regular roll — as in the case of casual creches, hospital preschool classes and similar services — the number of children will be assessed as a certain percentage of the maximum number of available places under the service's charter. This percentage will be negotiated between the Ministry of Education and the management of the service.

3.1.13 The amount of funding for early childhood services has yet to be determined by the Government. However, in finalising the amount of the bulk grant, the Government will consider the present level of funding available to kindergartens and other factors that promote the good-quality early childhood care and education identified in *Education to be More*.

Special Needs and Special Cases

3.1.14 If the government introduces policies that are targeted at specific groups, then the funding formula for the services involved will be adjusted.

3.1.15 The Minister will be able to give weightings to bulk-grant formulae for costs that are outside the control of services — such as for extraordinary locational costs or for individual children with handicapping conditions. (Extraordinary locational costs could include remoteness or high inner-city accommodation costs.)

3.1.16 Where the Minister approves of weightings for children with special needs, advisers in the Special Education Service will be responsible for notifying the ministry whenever there are children attending a service whose special needs mean that the service should have its bulk grant adjusted with a special-needs weighting.

3.1.17 The ministry will provide special "tagged" funding to help services set up special groups for children with handicapping conditions. These groups will need to be approved by the ministry. Special formulae will apply — and a service's bulk grant will be adjusted whenever any such special groups are formed or disbanded.

3.1.18 The Implementation Unit will further consider issues related to special education provisions for young children.

3.1.19 The bulk-grant funding rate for the Correspondence School's preschool-children enrolments will be further investigated by the Implementation Unit.

3.1.20 The Government may also consider weighting the bulk grant to take account of the age of the children attending the service — that is, to ensure that the needs of very young children are adequately catered for.

3.2 Discretionary Grants

3.2.1 A discretionary grants scheme run by the Ministry of Education will be the main form of government assistance towards the capital costs of providing accommodation for early childhood services.

3.2.2 The ministry will make the decisions on allocating discretionary grants. Non-profit-making services will have overall priority for these grants.

3.2.3 The Minister of Education will be responsible for setting additional priorities and reviewing the criteria for allocating discretionary grants. This will be done on the advice of the ministry, which will use a consultative process and involve the community. The ministry will also draw upon information on existing services.

3.2.4 Preference for discretionary grants will be given to managements who have a proposal approved by the ministry, who have little in the way of capital assets as collateral or security for commercial loans, and who — because of factors outside their control — are likely to receive only an average or below-average bulk grant.

3.2.5 Discretionary grants for seeding, *non-capital* purposes will be no more than $10,000.

3.2.6 Discretionary grants for *capital* purposes which exceed $15,000 may require special criteria for repayment of the grant in some circumstances — for instance, if the centre closes. The Implementation Unit will investigate this further.

3.3 Loans

3.3.1 The managements of services will be able to borrow money commercially. Profit-making services and those with considerable capital assets will be expected to fund their future capital requirements from the private sector.

3.3.2 The Ministry of Education will also operate a loans scheme. These loans will be available only to services which use or have approval to use Crown land or property through a "licence to occupy" and which also have a limited ability to raise loans commercially, even when the Crown acts as a guarantor. Any loans from the Ministry of Education will be on commercial terms.

3.3.3 It is accepted that loan costs will be too high for some early childhood services. These will be treated favourably for discretionary grants.

3.4 Full Funding of Capital Works

3.4.1 The government will fund the full cost of building for an early childhood service only in exceptional circumstances — such as for preschool classes in primary schools or where special assistance is the only option. In these situations, the Crown will retain ownership of the premises and the chartered services using them will be asked to pay rent.

3.5 Department of Social Welfare Fees Subsidy

3.5.1 The Department of Social Welfare fees subsidy to assist low income families will be continued, but with some restructuring.

Families passing an income test may be eligible for some assistance with fees, up to a certain set level. As with the current system, payment will go directly to services and the fee reductions will be passed on to the parents.

3.5.2 The current "special referral" provisions for a full fees subsidy will be continued.

4. *National Guidelines, Charters and Licences*

4.0.1 National guidelines will set overall standards for early childhood care and education. Services wishing to receive Vote: Education funding must have a charter which has been drawn up within the national guidelines. Services that do not have a charter must still be licensed — and the licensing system will ensure that basic standards of staffing, safety, hygiene, and curriculum are met. (Playgroups, however, will be able to continue without a licence.)

4.1 National Guidelines

4.1.1 National guidelines for early childhood care and education will be drawn up using a consultative approach involving government agencies, unions, services, parents and the community. The principles of the Treaty of Waitangi will be taken into account when formulating the guidelines.

4.1.2 National guidelines will provide minimum standards of quality for the provision of centre- and home-based early childhood care and education. There will be guidelines for land, buildings, safety, equipment, staffing, curriculum, special education, and parent education and support. There will also be guidelines for staff development, advisory support, the conduct of management committees and proprietors, child management, role of parents in decision-making, charter preparation, community involvement, and any other matters considered appropriate.

4.1.3 The national guidelines on staffing will include statements on:

- appropriate types of qualifications and experience
- the minimum number of qualified staff
- staff:child ratio requirements
- professional support for staff.

4.1.4 The national guidelines for early childhood care and education will cover home-based schemes as well as centre-based

schemes. However, guidelines for home-based care and education may differ in detail where this is appropriate.

4.1.5 The initial national guidelines will be reviewed within five years.

4.2 Charters

4.2.1 Only services with charters will be eligible for Vote: Education funding. The charter will be a statement of the service's objectives and practices, and services will be reviewed at least once a year to see whether they are fulfilling the commitments made in their charters.

4.2.2 If more than one early childhood centre or home-based scheme is provided for within a charter, then the charter will include a separate section for each centre or scheme.

4.2.3 The Implementation Unit will determine a maximum number of services to be covered by a single charter.

4.2.4 All early childhood charters will be drawn up within the overall national guidelines for early childhood care and education. So they will include statements on curriculum objectives, staffing policy, advisory support and special education, parent education and support, a code of conduct for management, and accountability procedures.

4.2.5 Charters (or sections in charters) for preschool groups in primary schools and other learning institutions such as the Correspondence School must meet the standards set in the national guidelines for early childhood care and education.

4.2.6 Special clauses in charters will be needed for services that have a special group attached.

4.2.7 The charter will also specify the maximum number of places per session.

4.2.8 In collaboration with staff and the community, the management of a service will be responsible for charter preparation. The management will ensure that parents/whanau are consulted during the preparation of the charter, and that the parents/whanau endorse the charter before it is submitted for final approval by the Minister. (Evidence of consultation and endorsement will be required by the ministry — although it may waive this requirement entirely where the families using the service are predominantly transient and form

no cohesive group.) Where there are professional staff, these staff will take the lead in drafting those sections of the charter that deal with curriculum and child-management policies, and in discussing them with parents/whanau. (Evidence of this will also be required by the ministry.)

4.2.9 Requirements for parents/whanau and staff involvement apply both to centre- and home-based schemes. The management of home-based schemes will also ensure that their caregivers are involved in charter preparation.

4.2.10 Charters are likely to be reviewed annually — and will be reviewed as local circumstances or national guidelines change.

4.3 Licences

4.3.1 A licensing system will be retained to ensure that unchartered services meet appropriate basic standards of quality relating to space, buildings, safety features, equipment, staff:child ratios, staff conditions, and staff development — as well as minimum curriculum requirements and a minimum number of qualified staff.

4.3.2 Unchartered providers will not be eligible for Vote: Education funding — but they will have access to the Department of Social Welfare's fees subsidy.

4.3.3 The licensing system will be administered by the Ministry of Education, which will be designated as the licensing authority.

4.3.4 The Review and Audit Agency will monitor licensed (non-chartered) services once a year, to check whether they are meeting the conditions of their licence.

4.3.5 Further details on licences will be determined by the Implementation Unit.

5. *Issues of Staffing*

5.0.1 The changes to early childhood care and education raise questions about a number of staffing matters — in particular, training and qualifications, registration, and awards and salary-scale negotiations.

5.1 Qualifications, Accreditation and Training

5.1.1 Qualifications in the early childhood sector can be gained:

- by completing a recognised training course in early childhood education
- by the process of accreditation, whereby a central body reviews the documentation presented by individuals with atypical training and deems or recommends that this is equivalent to a qualification gained from a recognised training course
- by the process of attestation, whereby elders of an ethnic group attest as to the skills and knowledge of the individual seeking recognition. (The Ministry of Education will recognise attestation as evidence that the staff concerned have the necessary skills and knowledge to ensure the standards of care and education required by the state.)

5.1.2 In most cases, those who are deemed to be qualified without their having attended a recognised training course in early childhood education will not have a portable qualification that will be automatically accepted by other types of early childhood services.

5.1.3 Validation and accreditation of early childhood care and education courses and recognition of individual qualifications — other than through the attestation process — will be the responsibility of the Advisory Committee on Accreditation of Early Childhood Qualifications.

5.1.4 The establishment of a National Educational Qualifications Authority has been recommended by the Post-Compulsory Education and Training Working Group. The exact formal relationship between that qualifications authority and the advisory committee on accreditation will be further investigated.

Training

5.1.5 The Government will continue to be the main funder of training courses for early childhood teachers and workers, but changes may occur as a consequence of new policies in the post-compulsory education and training sector, to be announced in 1989.

5.1.6 The Implementation Unit will look at training provision in the early childhood sector, with emphasis on a flexible co-ordinated delivery system which provides for both pre-service and on-the-job or field-based (including training run by the playcentre organisation) certificated courses.

5.1.7 Certificated early childhood teachers and those deemed to have equivalent qualifications should be eligible for other specialist teacher training.

5.2 Early Childhood Teachers and Workers Registration

5.2.1 People holding the New Zealand Free Kindergarten Union Diploma or who are deemed to have equivalent qualifications, as well as those who gain a teachers certificate in early childhood education on completion of an integrated training course, will be able to apply for registration as early childhood teachers.

5.2.2 The Officials Committee will investigate the implications of registering early childhood teachers and workers.

5.3 Awards and Salary-Scale Negotiations

5.3.1 Awards and salary scales for kindergarten teachers will be negotiated nationally.

5.3.2 Awards and salary scales for childcare workers will be negotiated at a national or a regional level.

5.3.3 The Implementation Unit will examine whether there are ways to more clearly align the pay and conditions of employment of different types of early childhood teachers and workers.

6. *Maori Issues*

6.0.1 Any changes to the present administrative structure for Te Kohanga Reo will be consistent with the Government's stated objectives in relation to Maori people. They will also take place within the context of larger changes that are to occur over the next five years in the field of Maori affairs.

6.0.2 There are decisions still to be taken for Te Kohanga Reo, following the Government's review of Te Kohanga Reo. If nga kohanga reo came under Vote: Education, the Te Kohanga Reo National Trust would act as the contracting party for them. This would be an interim arrangement only, until iwi authorities signified their readiness to assume responsibility for kohanga reo — and during this time the trust would be funded on the same basis as other early childhood services.

6.0.3 The principles of the Treaty of Waitangi will be taken into account in the national guidelines.

6.0.4 As part of an affirmative action policy, Maori staff in the education service should be trained for and promoted in executive and managerial positions.

Figure 2: Implementing Education Reform

Some of these working groups have already reported. In addition, others will be convened to consider details of reform relevant to early childhood. (Other groups again may be convened following the Government's statement of intent on post-compulsory training and education.)

7. *Making the Change*

7.0.1 The changeover to the new system for administering early childhood care and education will take place on 1 October 1989. However, charters and the new funding arrangements will be introduced on 1 January 1990.

7.1 Planning the Details

7.1.1 Much of the planning for the overall changes to education administration is already underway (see Figure 2). In addition, a number of early childhood working groups will be convened early in 1989 to consider:

- bulk grants, discretionary grants and property loans
- national guidelines, charters and licences
- staffing matters
- the setting up of the Early Childhood Development Unit
- qualifications, accreditation and training
- the early childhood aspects of the Special Education Service
- the early childhood and special needs sections of the Correspondence School.

These groups will consult with appropriate groups within the early childhood sector, and will report on their findings to the Implementation Unit.

7.1.2 The Officials Committee will further consider the Review and Audit Agency and the Parent Advocacy Council in relation to the early childhood sector, and the registration of early childhood teachers and workers.

7.1.3 The Department of Education will establish a special early-childhood liaison group to help services develop their first charter.

7.2 The Transfer of Responsibilities

7.2.1 The salaries of kindergarten teachers and those of early childhood workers on the Department of Education's central payroll system will be paid through the Ministry of Education's central

payroll services for the first two years of the new arrangements. After that, managements employing these people can contract with whatever payroll services are available if they still require this service; otherwise they will receive the salaries directly, for payment to their employees. Other employers in the sector will be able to set up a contractual arrangement with the central payroll service from 1 October 1989 if they wish.

7.2.2 The discretionary grants scheme and the loans scheme will take effect on 1 January 1990.

7.2.3 For the first half of the government's 1989/90 financial year, Vote: Education expenditure on preschool buildings will follow current policies and procedures. In the second half of the year, the financing of preschool buildings will be done through the new arrangement of discretionary grants and loans. Capital works in progress or approved as at 1 January 1990 will be taken over by the Ministry of Education to see through to the completion of the contract. (New kindergartens and playcentres built in the interm period will have a "covenant" placed on the title to cover the government's contribution.) Capital works begun after 1 January 1990 will be the responsibility of the management of the particular service involved.

7.2.4 The Ministry of Education will also take over the responsibility for all "licences to occupy" Crown land or property.

7.2.5 Maintenance projects that were either in progress or approved as at 1 October 1989 will remain the responsibility of existing agencies until each project is completed and paid for under the terms of its contract. In all other cases, maintenance responsibility passes to the management of the particular service as at 1 January 1990.

7.2.6 If the management of any service feels unable to manage their own affairs, then the Early Childhood Development Unit will be able to arrange administrative service-contracts on their behalf for any agreed period of time up to 1 January 1992. This is a "safety net" arrangement, and the costs incurred by the contract administrators will be paid for out of that particular service's bulk grant.

7.2.7 In most cases, the current management committees and proprietors will continue to be responsible for running their centre or

scheme. There will be no change of employer for early childhood teachers or workers — only for departmental employees.

7.2.8 Full information on the relevant changes will be given to all departmental employees working in the early childhood sector. They will be made aware of the possibilities and options available to them, including retraining options.

V. R. WARD, GOVERNMENT PRINTER, WELLINGTON, NEW ZEALAND—1989

93116C—89PTK